

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 38.2-1822 of the Code of Virginia, relating to the licensing of insurance*
3 *agents; effect of revocation or surrender of license.*

4 [H 1838]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 38.2-1822 of the Code of Virginia is amended and reenacted as follows:**8 **§ 38.2-1822. License required of individual and business entity agents; individual acting for**
9 **business entity licensee.**

10 A. No person shall act, and no insurer or licensed agent shall knowingly permit a person to act, in
11 this Commonwealth as an agent of an insurer licensed to transact the business of insurance in this
12 Commonwealth without first obtaining a license in a manner and in a form prescribed by the
13 Commission. As used in this section, "act as an agent" means selling, soliciting, or negotiating contracts
14 of insurance or annuity on behalf of an insurer licensed in this Commonwealth or receiving or sharing,
15 directly or indirectly, any commission or other valuable consideration arising from the sale, solicitation,
16 or negotiation of any such contract, or both. No person shall submit business to any joint underwriting
17 association or any plan established under this title for the equitable distribution of risks among insurers
18 unless the person holds a valid license to transact the class of insurance involved.

19 B. No individual shall act as an agent on behalf of a business entity in the transaction of insurance
20 unless he is licensed as an agent and appointed, if appointment is required by statute. *No individual*
21 *whose license has been revoked by the Commission, or voluntarily surrendered in lieu of a hearing*
22 *before the Commission, shall directly or indirectly own and operate, control, or be employed in any*
23 *manner by an insurance agent or agency during the time period in which the individual is unlicensed*
24 *unless otherwise authorized by the Commission.*

25 C. No business entity may act as an agent in this Commonwealth unless licensed and appointed, if
26 appointment is required by statute. The existence of the business entity shall be recorded pursuant to
27 law. The Commission may require proof of the foregoing before issuing a license to the business entity.

28 D. For a nonresident business entity, a certification by the insurance department of the business
29 entity's home state satisfying the requirements of subsection A of § 38.2-1836 shall be deemed to satisfy
30 the foregoing requirements.

31 E. In addition to the requirements of §§ 59.1-69 and 59.1-70, any individual or business entity
32 conducting the business of insurance in this Commonwealth under an assumed or fictitious name shall
33 notify the Bureau of Insurance either at the time the application for a license to do business is filed or
34 within ~~thirty~~ 30 calendar days from the date the assumed or fictitious name is adopted, setting forth the
35 name under which such business is to be conducted.

36 F. When the business of insurance is no longer conducted under an assumed or fictitious name,
37 notification to the Bureau of Insurance is required within ~~thirty~~ 30 calendar days from the date of
38 cessation of use of such assumed or fictitious name.

39 G. Notwithstanding any other provision in this chapter, no license shall be required of a person
40 whose employment responsibilities include enrolling individuals under a group insurance policy,
41 provided that such person receives no commission or other valuable consideration for such enrollments,
42 and that such compensation is in no manner contingent upon the number of individuals enrolled or the
43 amount of premium generated by such enrollments. As used in this subsection "enrolling individuals"
44 means the process of informing individuals of the availability of coverages, calculating the insurance
45 charge, assisting with completion of the enrollment application, preparing and delivering the certificate
46 of insurance, answering questions regarding the coverages, and assisting the individual in making an
47 informed decision whether or not enrollment under the group insurance plan is to be elected.